IN THE SPECIFICATION:

Please replace the paragraph beginning on page 36, line 25 and ending on page 37, line 3 with the following paragraph:

Referring to Fig. 13 again, controller 214 stores variable ERR (step ~~S133a~~ **S113a**). When the operation moves from step S112a illustrated in Fig. 16, variable ERR is "false", and it is determined that the log storing the license ID in question is copied into bank n so that controller 214 determines that the processing can be continued, and next processing is performed in step S113 to determine whether license ID (LID) of license LIC, which is recorded in the storage LBA stored in bank n of log memory 253, matches with license ID (LID) stored in log memory 253 or not (step S113).

Please replace the paragraph beginning on page 52, line 3 and ending on page 52, line 7 with the following paragraph:

In hard disk ~~21~~ **20**, encryption processing portion 222 encrypts session key Kslb with class public key KPcm1 to produce encrypted data E(KPcm1, Kslb) (step S305). Controller 214 provides encrypted data E(KPcm1, Kslb) thus produced to terminal device 10 via ATA interface portion 212 and terminal 210 as data series LID//E(KPcm1, Kslb) (step S306).

Please replace the paragraph beginning on page 52, line 16 and ending on page 53, line 6 with the following paragraph:

When controller 214 of hard disk 21 confirms the acceptance of session key Kslb produced by hard disk 20, it notifies terminal device 10 of the acceptance via ATA interface

portion 212 and terminal 210. When controller 108 of terminal device 10 accepts the notification transmitted from hard disk 21 via hard disk interface portion 110 and bus BS2, it issues a request, which requests output of the log stored in log memory 253 of hard disk 21 to hard disk 20, to hard disk 21 via bus BS2 and hard disk interface portion 110 (step S311). Controller 214 of hard disk 21 accepts the output request for the log via terminal 210 and ATA controller 212 (step S312). Similarly to step S301a in hard disk 20, copying of the log is performed (step ~~S213a~~ **S312a**). In this copying operation, it is determined whether log memory 253 has stored the log including the LID accepted in step S309 or not. If stored, the stored log including the LID is copied to bank na storing the earliest log in log memory 253, and a variable ERRa is set to "false". If log memory 253 has not stored the log including LID accepted in step S309, variable ERRa is set to "true". Specific operations in step S312a are performed in accordance with the flowchart of Fig. 16. For distinguishing the processing in hard disk 21 from the results of similar processing in hard disk 20, variable n is represented as variable na, and variable ERR is represented as variable ERRa. Thus, in the flowchart of Fig. 12 corresponding to step S112b in Fig. 16, variable n is replaced with variable na, and variable ERR is replaced with variable ERRa.

Please replace the paragraph beginning on page 53, line 7 and ending on page 53, line 6 with the following paragraph:

Controller 214 determines the results of processing in step S312a, and thus determines whether ERRa is "true" or "false" (step ~~S3212b~~ **S312b**). If the result is "false", this represents that the log including accepted LID was copied to bank na so that the operation moves to a next step S313 for starting the processing responding to the re-transmission request. If the result is

"true", this represents that the log including accepted LID was not stored in log memory 253, and thus hard disk 21 did not perform the input/output processing of license LIC specified by LID accepted in step S313. Therefore, it is determined that it is impossible to respond to the re-transmission request, and the next processing is performed in step S371 in Fig. 23 to issue an error notification to terminal device 10. When the error notification is accepted in terminal device 10 (step S373), the processing ends.

Please replace the paragraph beginning on page 63, line 9 and ending on page 63, line 11 with the following paragraph:

(2) Rewrite processing performed by resuming the interrupted write processing (i.e., processing of hard disk **20** in Figs. 13 - 15, and processing of hard disk 21 in Figs. 21 - 23).